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March 25, 2010

Ms. Jocelyn Boyd
Interim Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite #100
Columbia, SC 29210

Re: Docket No. 2007-414-WS, Order 2009-800, Verification of Performance Bonds

Dear Ms. Boyd:

Please be advised that the undersigned represents CK Materials, LLC, a South Carolina limited liability company ("**CK Materials**"). We are writing to inform you that, effective March 1, 2010, CK Materials recently completed its stock acquisition of Melrose Utility Company, Inc. ("**MUC**"); as well as the remaining stock of Haig Point / Melrose Wastewater Treatment Company, Inc. ("**HPMWTC**"), which it did not acquire at the time of its acquisition of Haig Point Utilities, Inc.

CK Materials now owns MUC, HPMWTC, and Daufuskie Island Utility Company ("**DUIC**"), (formerly known as Haig Point Utilities, Inc.). Ultimately, CK Materials plans to consolidate the various entities into a single entity and is currently working towards achieving this goal in a timely fashion. However, in the meantime, CK Materials must provide evidence of its performance bonds to the South Carolina Office of Regulatory Staff ("**ORS**").

As the South Carolina Public Service Commission ("**PSC**") is aware, CK Materials posted two (2) separate bonds in the amount of \$350,000.00 for the performance of the water and sewer utilities it owns. Copies of the bonds are attached for reference and are labeled: "Bond No. _____" and "Bond No. SC _____". Such bonds have been previously verified with the PSC in response to Order 2009-800 regarding Docket No. 2007-414-WS.

We are now seeking, after first consulting with the ORS and CK Materials' bond issuers, to have the PSC accept the afore described bonds as sufficient to fulfill CK Materials' obligations under S.C. Code Ann. §58-5-720.

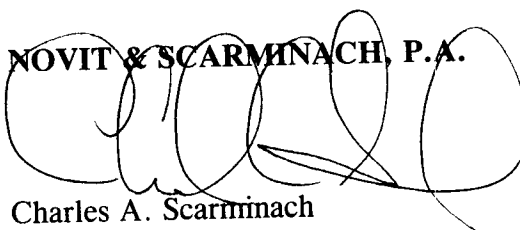
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The bonds have been in full effect and currently paid since the time of CK Materials' acquisition of the companies. If we may be of further assistance or provide more information please contact us.

Yours very truly,

NOVIT & SCARMINACH, P.A.

A large, stylized handwritten signature in black ink, appearing to read 'Charles A. Scarminach', is written over the firm name.

Charles A. Scarminach

Enclosure

c: Mr. Willie Morgan, ORS
Duncan S. Teed, Esquire [via email]
Mr. Jamie J. Karabinchak, CK Materials, LLC [via email]